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ARIZONA GRAIN, INC.

VALLEY SEED
A DIVISION OF ARIZONA GRAIN INC.

P.O. BOX 11188
CASA GRANDE, AZ 85230-1188

TELEPHONE 520-836-8228
FAX 520-421-0832

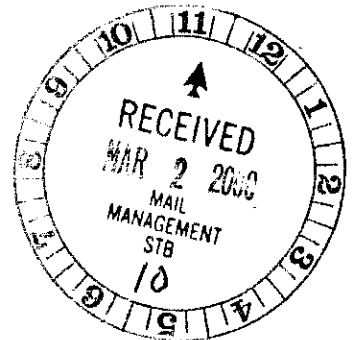
February 23, 2000

UNITED STATES
Office of the Secretary

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Public Record

Surface Transportation Board
Office of the Secretary, Case Control Unit,
Attn: STB Ex Parte No. 582
1925 K Street N.W.
Washington, D.C., 20423-0001



Written Summary of Views

Ladies and Gentlemen of the Surface Transportation Board:

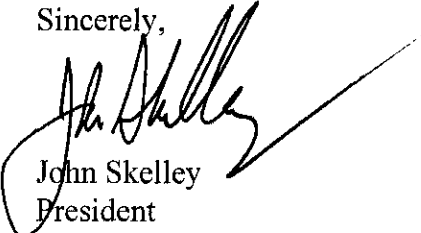
My name is John Skelley. I am the president of Arizona Grain, Inc. of Casa Grande, Arizona. Our privately held company has eight grain facilities located on the Union Pacific Railroad in the states of Arizona and Colorado. In fiscal year 1999, Arizona Grain, Inc. received or shipped over 5,500 railroad cars of grain to and from its grain facilities. As the state of Arizona's largest grain handler, Arizona Grain is quite concerned with the proposed merger of the BNSF and Canadian National Railroads. We oppose this merger for many reasons but our primary reasons are as follows:

1. The U.S. is headed toward a two railroad oligopoly if these mega-mergers continue. This is not good for any rail shipper or consumer in the U.S. Without strong oversight of the merger process by the Surface Transportation Board, future railroad mergers are inevitable as the remaining railroads are forced to react to the ongoing mergers in an effort to remain competitive.
2. There has not been enough time allowed to see if the recently consummated mergers are having the effect of more efficient rail transportation at more competitive rates. As a shipper customer of a major railroad, we have seen little evidence of new efficiencies or lower freight rates as a result of a major merger of two railroads.
3. The rail shippers have had to endure very poor service from merging railroads during the initial period when the railroads were consolidating their assets and personnel. The costs born by the rail shippers during these times is never recouped and the costs incurred by the railroads encourages higher freight rates to off set the merger costs.
4. If the consolidation of the railroads leads to a scenario of inefficiently operating mega railroads and non competitive pricing, the ability to retrace the merger steps and go back to a situation of more competing railroads will certainly be difficult if not impossible to accomplish.

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We at Arizona Grain hope that the National Surface Transportation Board carefully evaluates whether the continued consolidation of our nations railroads is really benefitting the industries who rely on railroad transportation and the many thousands of customers who these industries service. Thank you for your consideration of our views.

Sincerely,



John Skelley
President
Arizona Grain, Inc.